



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

November 6, 2008

Winnie Ho, Executive Director
Riviera, Inc. dba The Enterprise U
224 E. Olive Avenue, Suite 218
Burbank, CA 91502-1234

Dear Ms. Ho:

RE: FINAL MONITORING VISIT REPORT for Riviera, Inc. dba The Enterprise U – ET07-0166

Date of the Visit:	8/1/08 (on-site), 9/25/08 (Records Review)
Beginning/Ending Time:	9:00 a.m. – 11:00 a.m.
Date of Last Visit:	9/5/07
Visit Location:	Burbank
Persons in attendance:	Winnie Ho, Executive Director, The Enterprise U Marissa Tolentino, ETP Contract Analyst
Action Required:	No

CONTRACT INFORMATION:

Term of Agreement:	9/23/06 – 9/22/2008	Agreement Amount:	\$300,792
Training Start Date:	9/27/06	No. to Retain:	570
Date Training must be Completed:	6/24/08	Range of Hours:	24 – 40
Type of Trainee:	Retrainee	Weighted Ave. Hours:	N/A

FINAL REPORT SUMMARY:

This Agreement was executed on November 1, 2006. ETP approved one Agreement Amendment which was executed on February 4, 2008. The Amendment deleted Job Numbers 1,3,6 and 8; increased trainee slots of Job Numbers 2,4 and 5; added Job Numbers 9 and 10 and decreased the Agreement amount by \$808.

You reported that ETP training concluded on November 15, 2007, which allowed retrainees ample time to complete the post-training retention period within the Agreement term.

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Although Chart 1, Exhibit A of the Agreement, specified that there would be 472 trainees to be retained in this Agreement, you indicated that 441 trainees will complete training and the 90-day retention period for a completion rate of 93 percent. Assuming all other Agreement requirements are met, The Enterprise U would earn \$262,232 (87%) out of the total ETP Agreement amount of \$300,792.

You stated that record keeping was not a problem and you did not experience any barriers in implementing the ETP Training Program. You explained that you were not able to complete 100 percent in this Agreement due to production demands. Several small business employers shifted priority from training to production, which prevented workers to participate in Job 10.

You indicated that with ETP training, the Enterprise University was given the opportunity to serve employers that do not have the time to offer trainees a structured training program and encourage companies to commit to training its workforce.

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

Job #	Max to Retain	Enrolled	Dropped	Completed Training & Retention	Cost per Trainee	Anticipated Total Earnings
1	Deleted	Job				
2	158	158	2	156	\$462.00	\$72,072.00
3	Deleted	Job				
4	132	133	2	131	\$513.00	\$67,203.00
5	102	107	8	99	\$616.00	\$60,986.00
6	Deleted	Job				
7	16	19	3	16	\$770.00	\$12,320.00
8	Deleted	Job				
9	21	22	1	21	\$1,155.00	\$24,255.00
10	43	20	2	18	\$1,411.00	\$25,398.00
TOTAL		459	18	441		\$262,232.00

ATTENDANCE ROSTERS:

During this visit Ms. Tolentino reviewed Class/Lab Rosters of 40 trainees (10 Job 2 trainees; 4 Job 4 trainees; 7 Job 5 trainees; 6 Job 7 trainees; 7 Job 9 trainees; 6 Job 10 trainees) listed on Invoices 1 through 4. The Analyst compared the information on the Class/Lab Rosters with data on your tracking reports. Your tracking reports included the name of the trainee; type of training/module; date Class/Lab was provided and the number of hours per session.

The Analyst found the following:

1. A Roster dated July 18, 2007 for training in Continuous Improvement, Improving Process Performance reports seven trainees attending the class and Brian Reisgen of The Enterprise U and Jackie Bissell of Sanyo North America as the trainers. However, there were no trainer signatures. When asked by Ms. Tolentino on who was the main instructor, you indicated that Ms. Bissell of Sanyo assisted Mr. Reisgen during training.

2. A Roster dated September 13, 2007 for a class in Continuous Improvement (2.5 hours) has one trainer signature and 23 trainees.
3. A Roster dated October 17, 2007 for a class in Business Skills (3.5 hours) has one trainer signature and 29 trainee signatures.

On September 15, 2008, you provided Ms. Tolentino with a copy of Sanyo University's 2007 Training Calendar which includes the training conducted on September 13, and October 17. An electronic mail correspondence dated September 27, 2007, between you and Jackie Bissell of Sanyo scheduling training for October 17, 2007. An electronic mail correspondence dated June 28, 2007 regarding the training schedule which includes training for September 13, 2007.

On September 18, 2008, Ms. Tolentino informed you that the documents you submitted do not indicate how many trainers were present during the September 13 and October 17, 2007 training. Also, additional information is required to determine who the main instructor was for the July 18, 2007 class.

On September 25, 2008, you submitted copies of your old 2007 appointment book which indicates that Brian Reigen has an appointment at Sanyo North America in San Diego on July 18, 2007. You indicated that the employee from Sanyo was involved on the July 18 class because the topic involved some company-specific policies and procedures that only an employee should address. Further, you always involve company employees in customizing the content of the class and in this particular class an employee also served as an instructor so she could directly help deliver topics specific to the company.

We are approving the Roster dated July 18, 2007 at this time because of the information you provided. However, if during an Audit, it is found that the main instructor is from Sanyo North America, training hours for this class may be disallowed. Title 22 California Code of Regulations, Section 4426 (b) states that " When the training agency is contracting with the Panel to provide training, it must directly provide the training and may only subcontract training that is ancillary to the primary training as specified in the Panel contract. ..." In addition, a training agency cannot use employees of a participating employer as second instructor to meet ETP requirements (ex. trainer-to-trainee ratio).

Ms. Tolentino approved the variance to the trainer to trainee ratio of 1:20 for classes conducted on September 13 and October 17, 2007 since the overall ratio for all class/lab sessions averages at least the standard ratio. The Analyst informed you that on your new ETP Agreement, you must request a waiver if you anticipate exceeding the ratio specified in the Agreement Training Plan.

With the exception of the three Rosters mentioned above, attendance rosters reviewed contained the information required by ETP Regulations; confirmed that the Agreement curriculum was provided as specified; and validated the invoices for the completion of the required hours of training for enrollment and the Total Class/lab Training hours required in this Agreement

You were advised that these findings are based only on the training records reviewed during this Visit and represent only a sample of the training records completed to date. Further that it is your responsibility to ensure that all training records are in compliance with Panel requirements for auditing purposes. [Reference: Title 22 California Code of Regulations, Section 4442(b)]

FINAL INVOICE:

On June 9, 2008, ETP Fiscal Unit sent you the Final Contract Closeout indicating that a total of 441 trainees have been verified as meeting the required performance with final training fund earnings of \$262,232.

AUDIT:

You will be notified in writing if this agreement is selected for an audit, conducted either at your site (field audit) or by telephone (desk audit or "review"). The Audit Notification and Audit Confirmation letters will be sent in advance to allow ample preparation time and will include a list of documents that will be examined by the auditor. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION:

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Ms. Tolentino at (818) 755-1311 or by email at MTolentino@etp.ca.gov within ten (10) working days from the receipt of this letter.

Sincerely,

Signature on file

Dolores Kendrick, Manager
North Hollywood Regional Office

Signature on file

Marissa Tolentino, Contract Analyst
North Hollywood Regional Office

cc: Master File
Project File

Date report mailed to Contractor 11/07/08